FDI in cigarette industry

3671. SHRI K. RAMA MOHANA RAO: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government propose to permit foreign investment in cigarette industry to help Tobacco Farmers;

(b) if so, the steps taken in this regard; and

(c) the measures taken to draft a comprehensive policy on tobacco cultivation at an early date?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDI): (a) and (b) No change is contemplated in the present practice of not permitting Foreign Direct Investment (FDI) in the tobacco sector.

(c) In order to maintain a balance between demand and supply in the market, the Tobacco Board regulates the production of Flue Cured Virginia tobacco after a careful assessment of the domestic and international requirements and the existing stock position. The trends in domestic and international tobacco production and consumption are also closely monitored in this regard.

Regulatory framework for SEZs

3672. SHRI P. PRABHAKAR REDDY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether a study conducted by the Federation of Indian Chambers of Commerce and Industry (FICCI) has suggested the need to enact comprehensive legislation for providing necessary regulatory framework with regard to the Special Economic Zones (SEZ);

(b) if so, the details thereof and the reasons therefor;

(c) what is Government's reaction to the suggestion; and

(d) what other steps arc proposed to be taken to finctunc the SEZ Scheme so that these zones may act as facilitator of growth?